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IN THE

Supreme Court of the United States

OCTOBER TERM, 1961

No. 541

SPARTON CORPORATION,
Petitioner,
vs.
EVANS PRODUCTS COMPANY,
Respondent

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

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PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

Petitioner, Sparton Corporation, prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Sixth Circuit, entered in the above entitled case on August 30, 1961, affirming the judgment of the United States District Court for the Eastern District of Michigan, Southern Division, entered May 24, 1960.

OPINIONS BELOW

The opinion of the Court of Appeals for the Sixth Circuit is reported at 293 F. 2d 699, and is printed in the appendix hereto at page 1a.

The Judgment of the Court of Appeals is printed in the appendix hereto at page 18a.

The Findings of Fact and Conclusions of Law, filed January 23, 1960, by the District Court at the conclusion of the trial appear in the Joint Appendix at page 64a and are unreported.

The Supplemental Findings of Fact and Conclusions of Law prepared by Respondent's counsel and adopted by the District Court, entered May 24, 1960, appear in the Joint Appendix at page 66a and are unreported.

The Judgment of the District Court entered May 24, 1960, appears in the Joint Appendix at page 88a.

JURISDICTION

Jurisdiction of this Court is invoked under 28 U.S.C., Section 1254(1) and 28 U.S.C. 2101.

The Judgment of the Court of Appeals was entered on August 30, 1961.

QUESTIONS PRESENTED FOR REVIEW

1. Following the enactment of Section 103 of the 1952 Patent Act, Title 35 U.S.C., do the conditions of patentability require in addition to a Finding supporting the language of Section 103 (nonobvious subject matter) a Finding, in the case of a combination patent, of the nature specifically set forth by this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U.S. 147 (1950) (unusual or surprising consequences) in order to meet the constitutional standard of invention?

2. Did the Court of Appeals err in affirming the judgment of the District Court based upon Findings of Fact and Conclusions of Law pertaining to the Chapman et al. and Tobin combination patents in suit which were restricted in regard to conditions for patentability in all respects to the language of Section 103 of the 1952 Patent Act, Title 35 U.S.C., with a complete absence of a Finding in the nature considered necessary by this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corporation*, 340 U.S. 147 (1950) to support patentability where the alleged invention comprises a combination of old elements?

3. Does an unequivocal offer to sell railroad freight bracing equipment corresponding to that being demonstrated in revenue service in a freight car at the time the offer is made require the filing of an application for patent within one year of the offer to sell in order to avoid the creation of a statutory bar under Section 102(b) Patent Act of 1952, Title 35 U.S.C. prohibiting granting of a patent if the invention has been "on sale" more than one year prior to the date of the application for a patent in the United States?

STATUTES INVOLVED

Patent Act of July 19, 1952, Title 35 U.S.C.

"§101. Inventions patentable

"Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title."

"§102. Conditions for patentability; novelty and loss of right to patent

"A person shall be entitled to a patent unless -

"(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States, * * *"

"§103. Conditions for patentability; nonobvious subject matter

"A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences beween the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made."

STATEMENT OF THE CASE

Petitioner and Respondent are competitors in the equipping of freight cars with reusable load bracing crossbars, a field which has been dominated by the Respondent since 1948. Such bars remain the property of railroads and they are furnished for use to the shipper at no cost. Through the use of such crossbars, damage of goods in transit is reduced, the amount of freight that can be safely shipped in a railroad car is greatly increased, and the time required to load and unload is reduced.

Crossbars of the type manufactured by Petitioner and Respondent were used as early as 1933 by New York Central Railroad in freight cars with steel side walls perforated with rows of aligned holes to receive pairs of pins located at opposite ends of the reusable load bracing bars (J. App. 611a). Thomas Patent No. 2,227,870 (Sup. App. 6sb), printed in the appendix hereto at pages 19a-25a.

Petitioner entered the field in competition with the Respondent in May 1957 and was immediately charged with patent infringement by the Respondent, whereupon Petitioner, in an action for Declaratory Judgment, raised the isssues of validity and infringement in regard to three patents granted to the Respondent in 1954, 1958 and 1959 on designs of hardware used on the ends of reusable load bracing bars to hold the same in position. The patents granted in 1958 and 1959 in the name of Chapman et al. and Tobin, respectively, appear in the appendix hereto at pages 26a-45a and 46a-58a. The Petitioner's crossbars and perforated side plates alleged to infringe these patents appear in the Joint Appendix at pages 624a through 640a.

Both the Chapman et al and Tobin patents were prosecuted before the United States Patent Office in the light of

the Petitioner's reusable load bracing crossbars introduced in 1957. As these patents were issued, Respondent charged Petitioner with infringement and the Petitioner amended its action for Declaratory Judgment to include them.

The Chapman et al patent, disclosed ship dunnage structure developed by the Respondent in 1952-53 under a contract with the United States Navy. A single Navy ship was equipped with such dunnage and the Respondent scrapped the tools for the same in 1954, (J. App. 262a).

The Tobin patent was filed in 1951. Up to the time of the trial no working model of its disclosure had ever been made and no freight car had ever been equipped with it. It was and has remained a "paper" patent of which no disclosure was ever made other than to the Respondent and its patent counsel prior to its granting date of February 17, 1959 (J. App. 265a).

Between the introduction in May 1957 of the Petitioner's load bracing crossbars and the decision by the District Court on January 23, 1960, the Petitioner's crossbars were sold to numerous railroads in the United States in competition with the Respondent. The extent of the adoption of the Petitioner's crossbars by the railroads is reflected by the $250,000.00 Supersedeas Bond set by the District Court following its Finding of validity and infringement of the Chapman et al. and Tobin patents. The Nampa patent of 1954 was found valid but not infringed.*

*Its structure appears in the Joint Appendix at pages 615a and 654a through 667a.

Re Questions 1 and 2:

Respondent's Chapman et al. and Tobin patents in suit are combination patents comprising old and well known elements. Neither Court below made any Finding that the old elements which made up the crossbars and associated attachment hardware performed any additional or different function in the combination than they performed out of it. Nor was there a Finding by the lower courts that any unusual or surprising consequences resulted from the unification of the old elements of the patented structures.

The offset feature of the four faces of the Tobin crossbar with regard to its axis of rotation was an old and well known feature in a load bracing structure used to prevent a casket from shifting in transit in a hearse, such bracing structure being disclosed in the Van Deest Patent No. 1,912,741 printed in the appendix hereto at pages 59a-61a. These features performed the same function in the hearse as in the freight car.

The Chapman et al. patent claims a load bracing bar having a common latch between a pair of spaced rigid pins located at opposite ends of the bar and extending parallel to the longitudinal axis of the bar, as used in combination with a plate having three rows of aligned holes (J. App. 744a). Load bracing bars with such pins were well known in the art of load bracing in freight cars (J. App. 619a, 620a). The introduction of the latch between the pins with the latch entering into the same series of aligned holes as the pins was not found in freight cars. However, the combination of two pins and an intermediate latch was an old and well known expedient in other fields for the end attachment of horizontally extending load supporting structure, as shown in the Diskin Patent No. 1,585,089 printed in the appendix hereto at pages 62a-67a.

As to the plates of the Chapman et al. patent having three rows of aligned holes, aligned holes on the side walls of freight cars was well known prior to Chapman et al. The New York Central Railroad use is shown in the Thomas patent (App. 19a-25a). The Tobin patent, prior art against Chapman et al., discloses a row of aligned holes on the side of a freight car (App. 46a-58a). In 1949 the Milwaukee Road was using aligned holes in the sides of freight cars (Supp. App. 22sb).

In the Findings of Fact and Conclusions of Law prepared by the District Court and filed at the conclusion of the trial on January 23, 1960, the only reasons given for finding the Chapman and Tobin patents valid were confined to the same reason with respect to each patent, namely, that the particular patent "does not read on any of the prior art cited".

In the Supplemental Findings of Fact and Conclusions of Law prepared by Respondent's counsel and adopted substantially verbatim and entered May 24, 1960, only the language of section 103 of the Patent Act of 1952, Title 35 U.S.C. was offered in support of the patentability of the subject matter of the patents and their claims, namely, that such matter "would not as a whole have been obvious at the time of the invention thereof to a person having ordinary skill in the art" (J. App. 73a, 80a, 88a). There was no Finding that the old elements of the combination patents in suit perform any differently in the combination than they would out of it.

The Court of Appeals found that by the pitch-spliting feature of the Tobin patent "a new result was achieved—that is, a new and easy method of snubbing up the freight", and that the Chapman et al. patent provided a "new effect" which was accomplished by the association between

the two pins and latch in the three hole wall member, each of the patents being held to have met the test laid down by the Sixth Circuit Court of Appeals in *Cold Metal Process Co. v. Republic Steel Corporation*, 233 F. 2. 828 (1956).

The Petitioner, in its appeal, requested the Court of Appeals to rule specifically upon the application of the decision of this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U. S. 147 (1950) to the patents in suit. Notwithstanding this request, the Circuit Court of Appeals made no reference in its decision to the decision of this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp. supra*, and proceeded to apply the test it had laid down in *Cold Metal Process Co. v. Republic Steel Corporation, supra*.

Re Question 3:

In March 1952 the concept of a load bracing support having two rigid pins and an intermediate latch at one end of the support for insertion into a series of aligned holes, as disclosed in the Chapman et al. patent in suit, was embodied by the Respondent in a removable door post and door floor plate (J. App. 64a). This post was demonstrated to railroad officials and large shippers and installed in a freight car and placed in revenue service (J. App. 266a through 268a). On June 18, 1952, by letter printed in the appendix hereto at pages 68a-69a, this door post was offered for sale to the Detroit, Toledo & Ironton Railroad Company (J. App. 691a). An order for such equipment was placed by the Detroit, Toledo & Ironton Railroad Company on August 13, 1952 (J. App. 693a), such order being printed in the appendix hereto at page 70a. This was more than two years prior to the filing date of the Chapman et al. patent on September 21, 1954.

REASONS FOR GRANTING WRIT

The questions presented are of public interest.

Questions 1 and 2 are concerned with the constitutional standard of invention as it applies to combination patents where the alleged invention comprises a combination of old elements. More than a decade has passed since this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* gave its profound consideration to the exacting standard of invention that must be applied in determining the validity of combination patents. Since 1950 the decision in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* has been cited by the lower courts in more than 400 patent cases. A study of decisions by the Court of Appeals of the several circuits in which *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment, supra,* was cited establishes the fact that this Court's test for the standard of invention of combination patents has been, with few exceptions, consistently applied in finding combination patents valid as well as invalid. These exceptions, and the intervening enactment of section 103 of the Patent Act of 1952, warrants a review and reassertion by this Court of the precise and comprehensive definition of the test to be applied to combination patents as set forth in this Court's decision in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra.*

The question of validity of the Respondent's Chapman et al. and Tobin patents greatly transcends the interest of the parties to this litigation. The patents attempt to restrict the use of old and well known items of hardware in the field of improvement of means for bracing loads being transported in railroad cars, trucks and ships. The latch of the Chapman et al. patent, for example, performs a

common function of all latches, to prevent unintentional separation of two elements, be it a load bracing crossbar with regard to the sides of the freight car or the side rails of a bed with reference to the foot or head.

Justice Bradley, speaking for the Court in *Atlantic Works v. Brady*, 107 U.S. 192, 200, condemned patents of the character granted to the Respondent when he stated:

> "It was never the object of those laws to grant a monopoly for every trifling device, every shadow of a shade of an idea, which would naturally and spontaneously occur to any skilled mechanic or operator in the ordinary progress of manufactures. Such an indiscriminate creation of exclusive privileges tends rather to obstruct than to stimulate invention. It creates a class of speculative schemers who make it their business to watch the advancing wave of improvement, and gather its foam in the form of patented monopolies, which enable them to lay a heavy tax upon the industry of the country, without contributing anything to the real advancement of the arts. It embarrasses the honest pursuit of business with fears and apprehensions of concealed liens and unknown liabilities of lawsuits and vexatious accountings for profits made in good faith."

The Findings required by this Court in the case of combination patents that old elements which make up the device must perform additional or different functions in the combination than that performed out of it, was not made by either of the courts below because no such Finding could be supported by the record. As a substitute therefor the District Court fell back on the "not obvious" language of section 103 and the Court of Appeals applied such convenient phrases as "new method", "new result" and "new effect", all of which are particularly meaningless when

applied to hardware attached to the end of a static crossbar for bracing freight in a railroad car.

Question 3 calls for interpretation of section 102(b) of the 1952 Patent Act and deals with one of the evils of our patent system as now administered.

Of the numerous delaying actions open to a patentee for extending the expiration date of his patent, only with reference to a few have the Patent Statutes compelled the patentee to accelerate the expiration date of his patent by providing that his application be filed within a specified time of certain actions taken by the patentee. One such restriction has reference to the time within which the inventor has to file his application after placing his invention "on sale".

A patentee should not be permitted to defeat the restrictions placed upon him in regard to the time in which he has to file his application after placing his invention "on sale" by the mere fact that he has continued to test the invention and does so until such time as he finds a customer willing to buy. Such testing could be continued indefinitely by the patentee and only when the market has developed for the invention being offered for sale throughout the testing period, would the inventor be required to file his application.

FIRST QUESTION

Following the enactment of Section 103 of the 1952 Patent Act, Title 35 U.S.C., do the conditions of patentability require in addition to a Finding supporting the language of Section 103 (nonobvious subject matter) a Finding, in the case of a combination patent, of the nature specifically set forth by this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U. S. 147 (1950) (unusual or surprising consequences) in order to meet the constitutional standard of invention?

(a) This Court has not passed upon what effect, if any, the enactment of Section 103 of the 1952 Patent Act, Title 35 U.S.C. had upon the standard of invention of combination patents laid down by this Court for the guidance of the lower courts in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra.* As a result, considerable difference of opinion on this point appears from the decisions of the appellate courts:

In the Fourth Circuit, in *Interstate Rubber Products Corporation et al. v. Radiator Specialty Company, Inc., et al.*, 214 F. 2d 546 (1954), Circuit Judge Soper held, in regard to standard of invention of the *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* and Section 103 of the Patent Act of 1952,

> "The rule applied by the majority of the Supreme Court in this case was not changed by the revision of the patent statute by Congress in 1952."

In the Tenth Circuit, in *Blish, Mize and Silliman Hardware Company et al. v. Time Saver Tools, Inc., et al.*, 236 F. 2d 913 (1956), Circuit Judge Murrah commented in regard to Section 103:

> "It may well be that the Congress intended to roll back the philosophical standards of patentability typified by *Cuno Corp. v. Automatic Devices Corp., supra,* and *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Co., supra.*"

In the Second Circuit, in *Zoomar, Inc. v. Paillard Products, Inc.*, 258 F. 2d 527 (1958), Chief Judge Clark, after noting that the plaintiff was relying upon "what it asserts to be a modified standard of invention under 35 U.S.C. §103," stated:

> "• • • The Supreme Court has not had occasion to interpret §103 in this respect, • • •."

In the Eighth Circuit, in *John Blue Company, Incorporated v. Dempster Mill Mfg. Co.*, 275 F. 2d 668 (1960), District Judge Mickelson, speaking for the Court of Appeals for that Circuit, held:

> "In applying 35 U.S.C.A. Sec. 103, this court follows the standards of patentability set out by the United States Supreme Court in *Great Atlantic & Pacific Tea Co. v. Super Market Equipment Corp.*, 340 U. S. 147 (1950)."

(b) The decision by the Court of Appeals is in conflict with the decision of this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* in that there is no Finding by the Courts below that in the Chapman et al. and Tobin combination patents the elements found to be old by the Court of Appeals "perform any additional or different function in the combination than they performed out of it".

SECOND QUESTION

Did the Court of Appeals err in affirming the judgment of the District Court based upon Findings of Fact and Conclusions of Law pertaining to the Chapman et al. and Tobin combination patents in suit which were restricted in regard to conditions for patentability in all respects to the language of Section 103 of the 1952 Patent Act, Title 35 U.S.C., with a complete absence of a Finding of the nature considered necessary by this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corporation*, 340 U. S. 147 (1950) to support patentability where the alleged invention comprises a combination of old elements?

(a) This Court has not passed upon this statutory issue since the enactment by Congress of the 1952 Patent Act.

(b) The decisions by the lower courts restricting the Findings of Fact and Conclusions of Law as to the standard of patentability to the language of Section 103 of the Patent Act of 1952 is in conflict with the decision of this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra*, as interpreted by the Ninth Circuit Court of Appeals in *Kwikset Locks, Inc., et al. v. Hillgren*, 210 F. 2d 483 (1954), and by the Seventh Circuit Court of Appeals in *Crane Packing Company et al. v. Spitfire Tool & Machine Co., Inc.*, 276 F. 2d 271 (1960).

At page 486 in *Kwikset Lock, Inc., et al. v. Hillgren, supra*, it was held:

> "The Supreme Court further requires that in order for a combination patent to be upheld, there must be a specific finding that the old elements which made up this device perform an additional and different function in combination, than they perform out of it. No such finding was made in the case at bar."

In *Crane Packing Company et al. v. Spitfire Tool & Machince Co., Inc., supra,* Circuit Judge Castle, speaking for the Seventh Circuit and with regard to the findings and conclusions of the District Court, stated:

> "The combination found in the above numbered claims is of elements found and demonstrated in prior art. Their adaption by Bullard resulted in an improvement but represented no more ingenuity than the work of a mechanic skilled in the art. There are no 'unsual or surprising consequences from the unification of the elements here concerned' • • •."

as required in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra.*

(c) The decision of the panel of judges for the Court of Appeals for the Sixth Circuit in the case at bar is in conflict with the decision of the same Court of Appeals by different panels of judges in *Bede et al. v. Baker & English, Inc., et al.,* 274 F. 2d 833 (CA6, 1960), and *General Motors Corporation et al. v. The Estate Stove Company, et al.,* 201 F. 2d 645 (CA6, 1953), in which lack of Findings by the District Court of the nature required by this Court for combination patents comprising old elements in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* are fatal to the validity of a patent.

In *Bede et al. v. Baker & English, Inc., et al., supra,* Chief Judge McAllister, speaking for the Sixth Circuit Court of Appeals, stated:

> "In the instant case, there was no finding that the old elements performed any additional or different function in the combination than they performed out of it."

In *General Motors Corporation, et al. v. The Estate Stove Company, et al., supra,* with a panel of judges comprising Chief Judge Simons and Allen and McAllister, Judge McAllister, speaking for this panel, said:

> "The district court made no finding that the old elements constituting the Bradbury range performed any additional or different function in the combination than they performed out of it. In *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp.*, 340 U. S. 147, 152, 154 (87 USPQ 303, 306), the Supreme Court emphasized the significance of the absence of such findings, in the following language:
>
> > '"This case is wanting in any unusual or surprising consequences from the unification of the elements here concerned, and there is nothing to indicate that the lower courts scrutinized the claims in the light of this rather severe test.
> >
> > "'Neither court below has made any finding that old elements which made up this device perform any additional or different function in the combination than they perform out of it. * * *
> >
> > "'Courts should scrutinize combination patent claims with a care proportioned to the difficulty and improbability of finding invention in an assembly of old elements. * * *
> >
> > "'The defect that we find in this judgment is that a standard of invention appears to have been used that is less exacting than that required where a combination is made up entirely of old components.'"

(d) After stating that the Findings of the District Court (expressed solely in the language of Section 103) would not be disturbed, Circuit Judge Martin, in the case at bar, observed that:

> "It is also true that the components constituting the patents in suit were known earlier in the freight-bracing art."

He then substituted for the correct test of patentability laid down by this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* the test used in *Cold Metal Process Co. v. Republic Steel Corporation, supra.*

The patents involved in *Cold Metal Process Co. v. Republic Steel Corporation, supra,* relates to mills and method of rolling steel in thin strip form. In finding the patents valid the court in that case was dealing with patents concerned with a method of operation of a mill. Royalties approximating $29,000,000.00 had been paid under licenses taken out by the leading steel manufacturers of the United States. The Court of Appeals further held, in *Cold Metal Process Co. v. Republic Steel Corporation, supra,* that the test of the Supreme Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* did not apply, stating:

> "• • • It is the mill which performs the rolling process and every element in the mill coacts to carry out this process."

It is obvious that the Court of Appeals, in the case at bar, was not strengthening the Finding of the District Court when it relied upon the test of patentability of *Cold Metal Process Co. v. Republic Steel Corporation, supra,* for a new method of operation to support validity of patents relating to static load bracing bars, the Chapman et al. patent relating to ship dunnage installed in a single ship with the Respondent scrapping the production tools therefor in 1954, and the Tobin patent a mere "paper" patent which Respondent never reduced to practice.

The decision of this Court in *Great Atlantic & Pacific Tea Co. v. Supermarket Equipment Corp., supra,* did not condemn patents of the kind at issue in *Cold Metal Process Co. v. Republic Steel Corporation, supra.* Likewise, the test of patentability applied in that case to a process and method of operation was improperly applied by the Court of Appeals to support the validity of the load bracing crossbar patents here involved.

THIRD QUESTION

Does an unequivocal offer to sell railroad freight bracing equipment corresponding to that being demonstrated in revenue service in a freight car at the time the offer is made require the filing of an application for patent within one year of the offer to sell in order to avoid the creation of a statutory bar under Section 102(b) Patent Act of 1952, Title 35 U.S.C. prohibiting granting of a patent if the invention has been "on sale" more than one year prior to the date of the application for a patent in the United States?

(a) This question has not been passed upon by this Court.

(b) The manufacture and testing of a prototype and the offer to sell duplications of the prototype with the article being manufactured following the receipt of the order is becoming a more prevalent practice as articles of manufacture become more complex. It is in the public interest that the mere offer to sell a duplication of such prototype requires the filing of a patent application within one year of such offer in order to comply with Section 102(b) of the Patent Act of 1952, Title 35 U.S.C. Such restriction placed upon the activities of the patentee is necessary to avoid indefinite extension of the expiration

date of a patent —as would otherwise result if the date of first public use of a prototype following testing is to be controlling.

(c) The decisions by the lower courts are in conflict with decisions in other Circuits upon the "on sale" issue of Section 102(b).

In *Wende v. Horine*, 225 Fed. 501, 505 (CA7, 1915), it was held:

> "The statute does not require a 'sale', but only a placing 'on sale', prior to two years before the application. Under this language a completed sale, either with or without delivery, is not demanded; an offer to sell, made to a prospective purchaser after the experimental stage has been passed, the invention reduced to practice, and the apparatus manufactured in its perfected form, is a placing on sale within the statute."

In *Harry C. Maibohm v. RCA Victor Company*, 89 Fed. 317, 320-21 (CA4, 1937), the Court held:

> "A number of decisions are to the effect that the statute does not require a completed sale but that placing on sale is sufficient. *Wende v. Horine*, 225 Fed. 501; *Ingersoll v. Bethlehem Steel Company*, 8 Fed. Sup. 658; *Covert v. Covert*, 106 Fed. 183."

In *Chicopee Manufacturing Corporation v. Columbus Fiber Mills Co., Inc.*, 165 Fed. Supp. 307 (DCMD Ga. Columbus Div., 1958) the cloth covered by the patent was offered for sale by submitting samples which were shown and offered but which were then not present in bulk or yardage quantities on the shelves of the textile company, it being the custom of the industry to delay weaving of bulk quantities until the order was obtained. In holding the cloth was on sale under Section 102 (b), the District Court found:

"I conclude as a matter of law that the Faris patent and the Nicholl patent are each invalid because of plaintiff's action in placing cloth of each of said patents on sale in Detroit in February and March, 1954 and more than one year prior to the date of application for each of said patents.

"The statutory language is 'on sale', not 'sold'. Accordingly, an actual sale is not necessary.

"'The offer to sell the wagon jack more than two years (now one year) before filing application is enough. Actual sale is not necessary. *Plimpton v. Winslow*, (C.C.) 14 F. 919; *Henry v. Soapstone Co.* (C.C.) 2 F. 78.' *Covert v. Covert*, 106 F. 183, 188 (W.D.N.Y. 1901).

"'It is true these pouches were not made up in advance and carried in stock, for the custom of the trade was to sell all such pouches by sample, as the printing and advertising on the pouch must be done after the order has been received.

"'Mr. Walker, in his work on Patents ((11th Ed.) page 96), lays down the rule:

"'"Indeed, a device will be on sale within the meaning of the law, if it is offered for sale, whether any specimen of it is actually sold or not." The same is true as to public use. *Egbert v. Lippman*, 104 U.S. 333-336, 26 L. Ed. 755.'"

The Court of Appeals, Ninth Circuit, in a *per curiam* 283 F. 2d 693, adopted, in all respects, the decision of District Judge Yankwich in *Piet et al. v. United States*, 176 Fed. Sup. 576, on the issue of "on sale" under the provisions of Section 102 (b), the District Court held "an offer to sell is sufficient" to invalidate a patent where the offer is made more than one year prior to the filing date.

(d) The offer to sell upon which Petitioner is relying to invalidate the Chapman et al. patent (J. App. 691a) is printed at pages 26a-45a of the appendix hereto. The record below identifies the structure being offered with that disclosed in the Chapman et al. patent. That the experimental stage had ended more than one year prior to the filing date is further established by the order placed by the Detroit, Toledo & Ironton Railroad on August 13, 1952 (J. App. 693a), printed in the appendix hereto at page 70a.

For the foregoing reasons it is urged that writ of certiorari should be granted.

Respectfully submitted,

TOWNSEND F. BEAMAN,
Attorney for Petitioner.

CERTIFICATE OF SERVICE

I certify that copies of the foregoing Petition for Certiorari were duly served upon Respondent herein, by depositing same in the United States mail, first class postage prepaid, addressed to Harness, Dickey & Pierce, 7-141 General Motors Building, Detroit 2, Michigan, attorneys for Respondent, on November .., 1961.

TOWNSEND F. BEAMAN,
Attorney for Petitioner.